



December 13, 2017

Joe Hune, Chairman
Senate Insurance Committee
P.O. Box 30014
Lansing, MI 48909

Dear Chairman Hune:

I am writing to you today on behalf of the Accident Fund Insurance Company, a Blue Cross Blue Shield of Michigan subsidiary, in opposition to Senate Bill 282.

We have significant concerns about patient safety, including the potential for misdiagnosis, increased costs and an interference with the traditional doctor-patient relationship, should SB 282 be enacted.

This bill expands reimbursement for chiropractic care into the primary care arena, which we believe jeopardizes patient safety and exposes injured workers to the risk of misdiagnosis and unnecessary care. A worker's health and safety is our foremost concern whether it is on the job site or in the exam room. By not interacting with a primary care doctor, the patient risks a delay in receiving appropriate care.

The doctor-patient relationship is an important one. Fracturing this relationship undermines the concept of the Patient-Centered Medical Home (PCMH), a primary care based model of health care service delivery that places an individual's primary care physician at the heart of all medical decisions. This model of care ensures that one provider—the primary care physician—is aware of all the patient's medical conditions and needs and may refer that individual to other providers, such as chiropractors, when needed.

BCBSM strongly encourages a PCMH program. Our analysis shows that our PCMH program has saved \$427 million dollars in the first six years, while experiencing a 19% drop in emergency room visits.

This pales in comparison to a Brandeis University study¹ on the effects of expanded coverage for chiropractic services under Medicare, which resulted in a 28.5% increase in Medicare expenditures for chiropractic services. That is over 4 times the rate of medical inflation.

¹ <http://journals.plos.org/plosone/article/file?id=10.1371/journal.pone.0147959&type=printable>

Any government mandate drives up the cost of healthcare, and the cost of doing business in Michigan. Michigan has been consistency sited as a state with low worker's compensation costs. In fact, the Michigan's Workers' Compensation Agency (WCA) recently announced that the state's pure premium advisory rate for work comp insurance will decrease by 9.3 percent for 2018. In addition, the WCA announced that the state experienced a cumulative decrease of 45 percent from 2011-2018, saving Michigan employers an estimated \$446 million in workers' compensation premiums. The current benefit system helps keep the cost of doing business low in Michigan and helps make Michigan attractive to future business investment.

We urge you to vote no on this bill that would put patient care at risk while increasing health care costs. Thank you in advance for your consideration.

Respectfully,

A handwritten signature in dark ink, appearing to read "Gabe Basso", with a long horizontal flourish extending to the right.

Gabe Basso

Manager, State Government Affairs
Blue Cross Blue Shield of Michigan